

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0491-04  
Bill No.: Truly Agreed To and Finally Passed CCS for HCS for SB 59  
Subject: Credit and Bankruptcy; Estates, Wills and Trusts  
Type: Original  
Date: June 1, 2011

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Bill Summary: This proposal modifies judicial procedures.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Office of the State Courts Administrator** assume the proposal would not fiscally impact the courts.

Officials from the **Department of Revenue, Department of Insurance, Financial Institutions and Professional Registration, Office of Administration, Department of Transportation** and the **Department of Health and Senior Services** each assume the proposal would not fiscally impact their respective agencies.

Officials from the **Attorney General's Office** assume that any potential costs arising from this proposal can be absorbed with existing resources.

Officials from the **Department of Natural Resources (DNR)** state within Sections 34.376, 34.378 and 34.380, the Office of the Attorney General directs all litigation to which the state, any agency or official is a party and represents the state's legal position at every level of trial and appellate courts. It is impossible to know the number of situations where the Office of the Attorney General would advise the departments to retain outside counsel; therefore, the fiscal impact to DNR from this proposal is unknown.

Officials from the **Department of Social Services (DOSS)** state this act prohibits the state and any of its agents from entering into a contingency fee contract with a private attorney, unless the Attorney General makes specific written findings. The Attorney General is required to request proposals from private attorneys, unless the Attorney General makes a written determination that requesting proposals is not feasible. If a request for proposals is issued, the Attorney General shall choose the lowest and best bid or request the Office of Administration establish an independent panel to evaluate the proposals and choose the lowest and best bid.

Private attorneys that enter into contingency fee contracts with the state are prohibited from recovering more than a certain percentage of the recovery amount. A private attorney who is representing the state on a contingency fee basis is required to maintain records about their expenses for at least four years after the contract terminates. The attorney is required to make these records available to the public under the sunshine law.

The Attorney General is required to post certain information about the contingency fee arrangement on their website. The Attorney General is also required to submit an annual report regarding the use of contingency fee contracts.

ASSUMPTION (continued)

If the DOSS does not retain counsel on a contingency fee basis, then this statute will have no significant impact on DOSS. The long term fiscal impact, if any, is speculative and therefore unknown.

In response to similar legislation this year regarding contingency-fee contracts (SB 432), numerous state agencies assumed the proposal would not create a fiscal impact to their agencies. **Oversight** assumes the proposal will not create a fiscal impact to the state. Oversight assumes agencies that need or desire to hire private attorneys on a contingency fee basis would still be able to, with help and direction from the State Attorney General's Office.

<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

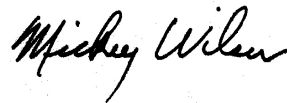
### FISCAL DESCRIPTION

The proposed legislation appears to have no fiscal impact.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

### SOURCES OF INFORMATION

Department of Revenue  
Office of the State Courts Administrator  
Department of Insurance, Financial Institutions and Professional Registration  
Department of Social Services  
Department of Health and Senior Services  
Office of the Attorney General  
Department of Transportation  
Department of Natural Resources  
Office of Administration



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Director  
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